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OXC-0152/A ✓

8 December 1959

MEMORANDUM FOR: Deputy Director (Plans)

SUBJECT : Attached Memorandum on Competitive
Bidding on Certain OXCART Components

1. The attached think paper was prepared by Jim Cunningham and quite thoroughly analyzes pros and cons with regard to sole source for the OXCART program. I concur with the paper and would like to add the following:

a. You must recognize that you are continuing the faith that you have in one individual, Kelly Johnson. I would be unwilling to, and I believe you would not, consider any other individual in the industry operating in this fashion. Thus, you are dealing with an individual whose ways, methods and integrity are intimately known to you. This is quite different from any normal Government-Contractor relationship and can continue to work well only through your detailed and daily knowledge of work accomplished by the contractor as well as his plans with regard to subcontracting.

b. Previously, in the CHALICE program, you had this time. Prior to making your decision, you should examine and decide upon the amount of personal time you will be able to give to the myriad details which will be forthcoming. I do not believe that any other individual in the Agency can adequately perform this function for you.

4. In spite of the difficulties mentioned above, I am confident that a high-quality, expeditious product will result from your close association with Kelly in the same manner and degree as the CHALICE program was successful. With regard to legality and propriety of your role, I feel that so long as the Air Force is kept informed and cut in on major decisions in the same manner you have used to date and with especial care taken to keep BOB and other appropriate key people advised, there will be few, if any, opportunities for individuals or

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agencies to make your actions or the program a political football. In short, I recommend going ahead with the sole source by using competitive bidding where practicable.



WILLIAM BURKE
Colonel, USAF
Acting Chief, DPD-DD/P

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